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Held at Headquarters, New York,
on Tuesday, 14 November 1989, at 10 a.m.

President: Mr. GARBA (Nigeria)
later: Mr. JAYA (Brunei Darussalam)
(Vice-President)

- Development and international economic co-operation [82] (continued)
- (b) Trade and development: observance of the twenty-fifth anniversary of the establishment of the United Nations Conference on Trade and Development: draft resolution (A/44/L.39)

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The meeting was called to order at 10.30 a.m.

AGENDA ITEM 82 (continued)

DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION

- (b) TRADE AND DEVELOPMENT: OBSERVANCE OF THE TWENTY-FIFTH ANNIVERSARY OF THE ESTABLISHMENT OF THE UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT: DRAFT RESOLUTION (A/44/L.39)

The PRESIDENT: This morning the Assembly, in accordance with the decision taken at its 3rd plenary meeting, will devote its meeting to the observance of the twenty-fifth anniversary of the establishment of the United Nations Conference on Trade and Development.

The Assembly has before it draft resolution A/44/L.39 and a letter dated 13 November 1989 from the Permanent Representative of Mongolia to the United Nations addressed to the Secretary-General (A/44/726).

We meet today to commemorate the twenty-fifth year of the founding of the United Nations Conference on Trade and Development (UNCTAD). Twenty-five years ago, Governments committed themselves to laying the foundations of a better world economic order. Since its mandate was established by General Assembly resolution 1995 (XIX), UNCTAD's role has evolved and the institution has responded to changing conditions, needs and orientations, while maintaining its universal character and its development mission.

(The President)

Important agreements and policy advances have been achieved through intergovernmental negotiation in UNCTAD or by the influence of its work on the thinking and decisions of Governments and other international organizations.

UNCTAD's achievements are indeed praiseworthy and it is fitting that they be recalled on the occasion of this anniversary. At the same time, however, it is appropriate to reflect on the significance of the commitment made by the founding Member States in the context of today's world. It is a world in which fundamental changes are taking place and in which rapid progress is being recorded in all areas of human activity. But it is also a world characterized by certain adverse economic trends. Access to opportunities and benefits of economic expansion and technological advance remain unequal. The stagnation and retrogression in most developing countries, particularly the least developed and African countries, is often associated with debt overhang and the net transfer of resources to creditor countries. An international economic environment vitiated by weak multilateral disciplines in the areas of trade, money and finance, by protectionism and by wasteful consumption patterns threatens the resource base for sustainable development. If left unchecked, these trends could easily accentuate retrogression in many developing countries and neutralize hard-won gains in others. Worse still, because of the high degree of interdependence in the world economy, these weaknesses could well undermine the future economic stability of all countries.

The current situation is not devoid of hopeful signs. A number of positive elements are indeed detectable on the political, social and economic levels. They cannot, however, spontaneously coalesce to overwhelm the negative factors that are also present. They need to be managed if the objective of a healthy, secure and

(The President)

equitable world economy is to be attained. In this endeavour all countries should contribute, in proportion to their capacities, to the identification and implementation of complementary policies at the national and international levels. A major objective of these policies should be the revival of growth and development in those countries which have been stagnating, not only because it holds out the prospect of mutual benefit but also because equity and justice indeed demand it.

In this common effort UNCTAD, with its universal character and its integrated view of world development, has a prominent role to play. The challenge to UNCTAD has been identified by the Trade and Development Board in its recent Declaration issued on the occasion of this twenty-fifth anniversary. That document underlines the need for UNCTAD to bring

"fresh thinking to bear on long-standing problems and new areas of concern, with a view to promoting innovative policy measures".

This endeavour should contribute to the emergence of a new development consensus which recognizes the importance of the development of the third world for the world economy and for global peace and stability. It will need the continued support of all Member States. In this respect the willingness displayed by Governments to reach consensus at UNCTAD VII and at the recently concluded session of the Trade and Development Board are good omens which augur well for next year's special session of the General Assembly as well as for the Second United Nations Conference on the Least Developed Countries and UNCTAD VIII. I am confident that this same co-operative spirit will continue to prevail as UNCTAD pursues its historic mission into the next decade.

In closing, I wish to pay a particular tribute to His Excellency Mr. Kenneth Dadzie, who was the first Director-General for Development and International Economic Co-operation and is now the Secretary General of UNCTAD.

(The President)

His personal commitment to the principles of UNCTAD has been, to say the least, very remarkable. We thank him for his dedication and selfless service.

I now have the honour to call upon the Secretary General.

The SECRETARY GENERAL (interpretation from French): It is with great pride that I join in commemorating the twenty-fifth anniversary of the United Nations Conference on Trade and Development (UNCTAD). Since its establishment as an organ of the General Assembly in 1964, UNCTAD has been a source of inspiration for the international dialogue on development and a major instrument for intergovernmental deliberation and negotiation on issues of international economic co-operation. The record of UNCTAD's achievements is impressive, testifying to its ability to adapt and respond to changing international realities and needs of Member States, particularly the developing countries.

These qualities which UNCTAD has demonstrated in the past will need to be applied with even greater effectiveness in the years ahead. Over the past few years some positive trends have emerged which, if suitably managed, could improve the functioning of the world economy. Even so, the next decade is likely to be marked by major uncertainties resulting from the rapid changes that have taken place in the structures and patterns of the world economy. The development dialogue, moreover, has suffered from a weakening of the political resolve to address problems on the basis of common interest, mutual benefit and collective responsibility. Most developing countries risk remaining on the periphery of the world economy, in view of their limited capacity to undergo rapid changes and their relatively small influence on the international decision-making process. The disparity between the rich and the poor persists and many developing countries, notably the least developed and the troubled debtor countries, are unable to break out of stagnation and poverty.

(The Secretary General)

If this course of events is to be reversed, the international community will need to demonstrate a renewed commitment to the ideals which inspired the founding fathers of UNCTAD. The challenge is to move purposefully towards a more healthy, secure and equitable world economy, to strengthen the foundations of development, and to enhance international economic relations for the benefit of all groups of countries through a consensus-building process in a multilateral framework.

In UNCTAD the international community already possesses the means of identifying the actions that need to be taken if this challenge is to be met. Its mandate enables critical issues to be addressed in an interrelated way within a development perspective. Moreover, UNCTAD, with its universal membership, can bring a truly global viewpoint to bear on international economic questions. It is therefore well placed to contribute, together with the other international economic institutions, to action-oriented multilateral co-operation for development.

Recent developments in UNCTAD suggest that the necessary political will can be mobilized. The Final Act of UNCTAD VII and the Declaration adopted recently by the Trade and Development Board on the occasion of the twenty-fifth anniversary of UNCTAD are good examples of wide-ranging and innovative intergovernmental consensus. Such consensus, of course, is valuable only if it provides the basis for the adoption by Governments of concrete policy measures. Member States must therefore step up their collective efforts to meet the challenges inherent in the establishment of UNCTAD - namely, to lay the foundations of a better world economic order. I am confident that Member States will continue to give UNCTAD the political support it must have to fulfil its development mission.

The PRESIDENT: I now call on His Excellency Mr. Monyane Phoofole of Lesotho, who will speak on behalf of the Group of African States.

Mr. PHOFOLO (Lesotho): Mr. President, we continue to be most satisfied with the most able manner in which you steadfastly continue to steer, with grace, the affairs of this Assembly. We welcome and endorse your praiseworthy statement, as well as that of our revered Secretary-General, on this auspicious occasion.

It is a great honour for me to speak on behalf of the African Group on this special occasion - the celebration of the silver jubilee of the United Nations Conference on Trade and Development (UNCTAD). Let me at the outset express our full support for the statement that will be made by the Chairman of the Group of 77.

At this juncture, we wish to pay a tribute to the Secretary General of UNCTAD, Mr. Kenneth Dadzie, for the able manner in which he has continued to champion the cause of the institution since his appointment. His untiring efforts in this endeavour are a clear demonstration of the trust and confidence placed in him by the international community. In the same breath we wish to pay our homage to UNCTAD's previous leaders - Raul Prebisch, Manuel Perez Guerrero and Gamani Corea - who so excellently guided the affairs of the institution. They have indeed earned their place in the history of the United Nations.

The establishment of UNCTAD in 1964 marked the beginning of a new era in the evolution of international co-operation, particularly in the field of trade and development. Such co-operation was to serve as a decisive instrument for ending the division of the world into areas of affluence and intolerable poverty. The establishment of UNCTAD demonstrated clear recognition by the international community that the time was ripe in the United Nations for the negotiation of new principles and standards to govern relations between developing and industrialized countries.

For Africa, UNCTAD was born a little over a year after the formation of Africa's continental organization - the Organization of African Unity (OAU). The

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OAU was therefore a clear manifestation of recognition of the need for a new international economic order to ensure a rapid pace of development for all developing countries.

The twenty-fifth anniversary of UNCTAD provides us, the Members of this Organization, with an opportunity to reflect on the past and, more important, to look to the future.

Since UNCTAD's founding the international environment has changed dramatically. The 1980s in particular have been a lost decade for the developing countries as a whole, especially for the countries of Africa. Despite this, UNCTAD has demonstrated a capacity for research, conceptual innovation and policy analysis which has enabled the institution successfully to generate new ideas on international policies for trade, finance and money.

Among UNCTAD's concrete achievements we can refer to the crucial areas of its activities in commodities, notably the Integrated Programme for Commodities, which led to the recent entry into force of the Common Fund for Commodities; in shipping, particularly the Code of Conduct for Liner Conferences, the aim of which is to enable developing countries, particularly African countries, to have a fair share of their sea-borne trade; international monetary issues; the debt problem, in particular the initial introduction by UNCTAD of the concept of debt reduction; the Global System of Trade Preferences among developing countries; the Substantial New Programme of Action for the Least Developed Countries; and a legal agreement on South-South co-operation. Mention must also be made of the contribution of UNCTAD to the United Nations Programme of Action for African Economic Recovery and Development 1986-1990, that is, to next year.

(Mr. Phoofolo, Lesotho)

For Africa the commemoration of the birth of UNCTAD is an opportunity once again to draw the attention of the international community to the worsening and very special problems of development that continue to face Africa. In this connection the relevance and significance of the role of this institution becomes even more apparent.

Recent projections for the world economy for the 1990s present a picture of a decade that is not very different from that of the 1980s. The social and political fabric of most of the developing countries, particularly Africa, could hardly stand another decade of arrested development. To this end UNCTAD should continue to play a leading role in the search for new ideas and solutions to these forthcoming challenges. The international community, for its part, must at this silver jubilee renew its commitment, to the mandate which UNCTAD was established to fulfil. The recent faltering of multilateralism and the trend towards bilateralism will have to be reversed if UNCTAD is to face the new challenges and opportunities that lie ahead. UNCTAD will continue to claim its primary legitimacy in shaping international economic relations on the basis of its universality.

We are hopeful, therefore, that blockages by some countries resulting from their reluctance to discuss certain developmental strategies may be a feature of the past. In this context, we wish to draw the attention of members of the Assembly to the commodity sector in African economies. Most African countries depend very much on primary commodities, but practically all the commodities of particular interest to Africa continue to be subjected to constant pressure in terms of the low prices they fetch in international markets. This has resulted in a deterioration in the terms of trade; hence the continuing balance-of-payments difficulties of the region. In this respect the African countries attach

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great importance to the establishment by the Secretary General of UNCTAD, of the expert group on African commodity problems. We are hopeful that whatever recommendations the group may come up with will be vigorously pursued by all those concerned in order to resolve the deep-rooted difficulties that confront the African commodity sector.

The external debt problem of the African countries cannot be over-emphasized. In this regard, the Council of Ministers of the Organization of African Unity (OAU), meeting at its 49th ordinary session in Addis Ababa, Ethiopia, last February, adopted a resolution on the convening of an international seminar on Africa's common position on the external debt crisis. The seminar is intended to map out a common strategy with a view to preparing and guaranteeing the success of an international conference on Africa's external indebtedness, which Africa has been proposing for the some time now. To this end the African region wishes to reiterate its call for such an international conference.

We cannot end this statement without mentioning the least developed countries, the majority of which are in Africa. These countries continue to face formidable structural handicaps and to experience extreme deterioration in their overall socio-economic situation, in spite of the significant policy measures which they have undertaken pursuant to the Substantial New Programme of Action for the 1980s. In this context we urge UNCTAD to continue to search for appropriate solutions to the ever mounting problems of the least developed countries. We look forward to the Second United Nations Conference on the Least Developed Countries, in 1990, and are grateful to UNCTAD for the role it is playing in the preparations for the Conference. We are hopeful that the Conference will result in new international initiatives through a new programme of action for those countries.

(Mr. Phcofolo, Lesotho)

I conclude by wishing UNCTAD every success in the future, for the challenges that lie ahead are indeed formidable for all Governments and for the Secretariat. We hope that UNCTAD will continue to play its role with dynamism. Together we shall be able to build a better world in which to live.

The PRESIDENT: I call on His Excellency, Dato Paduka Haji Jaya Bin Abdul Latif, of Brunei Darussalam, who will speak on behalf of the Group of Asian States.

Mr. JAYA (Brunei Darussalam), Chairman of the Group of Asian States: On behalf of the Asian States, it gives me great pleasure to address this special plenary meeting to commemorate the twenty-fifth anniversary of the United Nations Conference on Trade and Development (UNCTAD). The Group of Asian States with profound pride joins the entire international community in remembering this occasion. I wish to associate myself with the President of the Assembly and the Secretary-General of the United Nations in their expressions of satisfaction for the work of UNCTAD.

UNCTAD was established 25 years ago with the task of promoting international trade, formulating and implementing principles and policies on international trade and addressing attendant problems, with the objective of accelerating the economic growth of developing countries. The commemoration this year once again stresses the effectiveness of UNCTAD as a major instrument in international economic co-operation. In the existing state of international relations multifaceted in its problems and its ramifications, the inception of UNCTAD illustrated a distinctively creative imagination in the development of a mechanism vital for the enhancement of international co-operation, especially in the field of trade and development. As an institution, UNCTAD has served the world community through studies, reviews and the handling of issues related to trade and development. It has very ably demonstrated a capacity for research, conceptual innovation and policy analysis prescriptions, from which the Asian States have benefited greatly. Asian States have participated actively in the studies and contributed immensely to the policy-making and negotiation at previous conferences of UNCTAD.

(Mr. Jaya, Brunei Darussalam)

The achievements of UNCTAD have been both very impressive and extensive. Significant among them are measures in trade policies, covering areas such as preferential tariffs, non-reciprocity and the generalized system of preferences (GSP) and the global system of trade preferences (GSTP) among developing countries. In the area of commodities, concrete action by UNCTAD culminated in the establishment of the Common Fund. Other milestones were also attained in the sphere of money and finance, analysis and policy advice in respect of indebtedness as well as technical assistance in the management of debt, codes and regulation in shipping, technology transfer, services, problems of the least developed countries and trade development among developing countries.

The Asian States have strong reasons to count on the dynamism of UNCTAD. The Asian region is vast and populous. It is richly endowed with natural resources, but it also has constraints whether inherent or imposed. While having special problems with special characteristics, as part of a larger community of developing countries the Asian States are by no means insulated from the global economic pattern. In the same landscape the problems of poverty, indebtedness and underdevelopment exist alongside affluence and export-led growth economies depicting a contradictory phenomenon. Therefore, it is hoped that the innovative initiative of UNCTAD in seeing opposing tendencies along the same continuum can contribute to their reconciliation.

Moreover, the changing international environment affects the Asian States in a number of ways; but the most prominent is the imbalance in world economic development. Economic growth in the 1980s has mainly been in the developed countries. Meanwhile, developing countries as a whole have registered only a slight growth in their economies. Except for a few countries and regions which experienced a relatively good economic performance, most developing countries are

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suffering from stagnation and severe economic difficulties. This is compounded by a deteriorating external economic environment and the escalation of trade protectionism, the weakening of commodity prices, heavy debt burdens and financial problems. With such a magnitude of problems the work of UNCTAD is even greater now. The agenda before UNCTAD remains relevant, especially in an era of imbalances, inequity and growing interdependence and interaction among nations.

In contrast to the positive statements made in the general debate pertaining to the international political climate, the global economic environment as described earlier is still a cause for concern. It is therefore important that UNCTAD should continue to focus its attention on priority areas that will bring international economic relations among States to a new height of co-operation and harmony. In an era when interdependence is not only a habit of mind but also deeply stratified in a complex web of institutional linkages and personal contacts, the conferences of UNCTAD can productively garner energies and knowledge from these linkages and serve as a conduit for future co-operative endeavours. Problems which persistently afflict the Asian economies such as in commodities - price stabilization, production, trade protectionism and market access - and the formulation of a development-oriented debt strategy are examples of problems which require a rapid solution if economic imbalances between developing and developed countries are to be effectively remedied.

I should like to conclude by quoting the Secretary-General of the United Nations, His Excellency, Javier Perez de Cuellar, in the UNCTAD Bulletin of October 1989. He stated that for UNCTAD,

"The challenge is to improve the health and stability of the world economy, to strengthen the foundations of development and to enhance international economic relations for the benefit of all groups of countries

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through a consensus-building process in a multilateral framework. The pursuit of these economic objectives is intertwined with the ongoing search for peace and security in the world; together they form an indivisible whole." (UNCTAD Bulletin, September-October 1989, p. 5)

The task is onerous both for the international community and UNCTAD. However, we believe that UNCTAD will adapt and react to the challenges of realizing the above objectives.

The PRESIDENT: I call on His Excellency Mr. Evzen Zapotocky, of Czechoslovakia, who will speak on behalf of the Group of Eastern European States.

Mr. ZAPOTOCKY (Czechoslovakia), Chairman of the Group of Eastern European States: On behalf of the delegations of Bulgaria, the Byelorussian Soviet Socialist Republic, the German Democratic Republic, Hungary, Poland, the Ukrainian Soviet Socialist Republic, the Union of Soviet Socialist Republics and my own country, it gives me great pleasure to address this commemorative meeting and to congratulate Mr. Kenneth Dadzie, Secretary General of the United Nations Conference on Trade and Development (UNCTAD), and through him the entire secretariat, on the twenty-fifth anniversary of this organization. We cannot fail to mention on this occasion the illustrious contribution to the work of UNCTAD of all the previous Secretaries General - Raul Prebisch, Manuel Perez-Guerrero and Gamani Corea, who by their work laid the foundation upon which the present development of UNCTAD as an organization has been built.

UNCTAD was set up by the General Assembly in December 1964 as one of its permanent organs mandated to promote international trade, particularly that of developing countries, with a view to accelerating their economic growth and

(Mr. Zapotocky, Czechoslovakia)

development. When evaluating its activities over the past quarter of a century we cannot fail to note that UNCTAD has successfully pursued the aims for which it was created.*

* Mr. Jaya (Brunei Darussalam), Vice-President, took the Chair.

(Mr. Zapotocky, Czechoslovakia)

Its tasks still remain valid, however, especially in view of the complexity of the difficulties facing the international community nowadays. UNCTAD has proved its viability and established itself as the most important organ of the General Assembly for international trade and development issues. UNCTAD's distinguishing feature is its universality both in terms of the number of participants engaged in its work and in terms of the scope of the problems with which it is called upon to deal.

The universal character of UNCTAD enables the entire range of problems of international trade and economic development to be examined in their close interconnection and interdependence and - what is most important - in the light of the interests of all the participating countries. With the emergence of this organization a fresh page was turned in the conceptual and institutional approach to the development of international economic relations.

UNCTAD has made no small contribution to the constructive discussion of international trade and development issues and the elaboration of effective measures for the resolution of problems in this field. A number of important documents have been adopted under its auspices. Many of its decisions and recommendations are of a practical nature and are furthering the development of international economic relations on the basis of mutual advantage.

The countries for which I am speaking are unanimous in recognizing that UNCTAD plays an important conceptual role in the elaboration of the strategic orientations of international economic development. This was apparent in particular in the elaboration of principles governing international trade relations and trade policies conducive to development which subsequently became the basis for the Charter of Economic Rights and Duties of States. The Charter, in its turn, showed new ways of reforming international economic relations.

(Mr. Zapotocky, Czechoslovakia)

The role of UNCTAD in the elaboration of measures for regulating international commodity trade is indisputable. The adoption of the Integrated Programme for Commodities was an important contribution to that process.

The Agreement Establishing the Common Fund for Commodities, which came into force in June of this year, was a practical contribution by UNCTAD to the stabilization of commodity markets and the creation of conditions for safeguarding the economic security of States.

The Conference's seventh session, at which measures were worked out to overcome critical trends that had begun to emerge in the work of the organization in the first half of the 1980s, was an important stage in the development of UNCTAD. That session confirmed UNCTAD's role in the modern system of international economic organizations and defined a number of new directions for its work.

In view of the fundamentally new stage of development on which the international economy is embarking, our countries consider that the need is now coming to the fore to internationalize approaches to the solution of the problems that exist here.

Traditionally, in order to resolve differences between States, it has sufficed to find a balance between particularly national interests. Today, however, the balance will be unstable if attempts are made to build it otherwise than on the basis of interests common to all humanity.

Genuine equilibrium and stable interdependence can be achieved only on the basis of mutually complementary action. The objective process of the formation of an integral world economy requires a shift to a qualitatively new level of multilateral economic partnership.

We are in favour of businesslike, unprejudiced co-operation, of resolving global economic problems by joint efforts and of making effective use of the existing machinery for multilateral economic co-operation.

(Mr. Zapotocky, Czechoslovakia)

Our countries are convinced that UNCTAD should play a more important role as a forum for universal economic dialogue and the constructive search for optimal solutions to the principal problems of international economic relations.

With its experience, its great intellectual potential and its universal character, UNCTAD can serve towards the management of interdependence with a view to augmenting predictability, stability, reliability and economic ties among States; guaranteeing mutual benefit in world economic exchanges; accelerating a solution of the global problem of external indebtedness; and, in the final analysis, improving the social conditions of all peoples.

We appreciate the role of UNCTAD in alleviating the difficult situation of the least developed countries. The Substantial New Programme of Action for the 1980s for the Least Developed Countries, elaborated under the auspices of UNCTAD, has helped to consolidate the efforts of the world community and of this group of countries. A further impulse to the solution of the problems of the least developed countries should come from the Second United Nations Conference on the Least Developed Countries, which is scheduled for next year and for which extensive preparations are under way in UNCTAD.

UNCTAD has great potential to assist in the elaboration and implementation of the International Development Strategy for the Fourth United Nations Development Decade and should continue to act as a United Nations conceptual centre with regard to questions of international economic co-operation and development.

In addition to issues already mentioned, others, such as invisibles and financing, transfer of technology and shipping, should receive UNCTAD's continued attention.

The successful fulfilment of UNCTAD's new tasks is impossible without close co-operation with other international organizations specializing in different aspects of contemporary economic relations, such as the General Agreement on

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Tariffs and Trade (GATT), the International Monetary Fund (IMF), and the International Bank for Reconstruction and Development (IBRD), and with other multilateral forums both within and outside the United Nations system.

Our countries, bearing in mind their social and economic development strategies aimed at more active participation in the international division of labour, are willing, within the framework of UNCTAD, to continue to make a constructive contribution to the solution of the urgent economic problems of the present age.

Our countries hope that the experience UNCTAD has accumulated in the 25 years of its existence will enable the organization to discharge successfully the new tasks arising from the current stage of world economic development.

The PRESIDENT: I now call on His Excellency Mr. Charles Flemming, who will speak on behalf of the Group of Latin American and Caribbean States.

Mr. FLEMMING (Saint Lucia): We, the States members of the Latin American and Caribbean Group, take particular pleasure in this commemoration of the twenty-fifth anniversary of the United Nations Conference on Trade and Development (UNCTAD) because we played such a catalytic role in its establishment and then gave of our best minds, in the persons of Raul Prebisch and Manuel Perez-Guerrero, to help sustain it after its nascence.

From the 1962 Cairo Conferenc on Problems of Developing Countries, which for many reasons was attended by only 36 developing countries, to the adoption by the General Assembly of resolution 1785 (XVII) in December of the same year calling for the holding of UNCTAD I in 1964, we are quite proud of this now 168-member organization which has played such a dynamic role in world development by giving effect to the basic Prebisch philosophy of "converging measures", that is, the promotion of economic development and trade through international co-operation within the United Nations framework.

(Mr. Flemming, Saint Lucia)

UNCTAD was born 25 years ago, at a time of economic and political reassessment in the developing world, a time when the march of independence was bringing new efforts at changing neo-mercantilistic relationships, a time when we in Latin America and the Caribbean were seeking to redefine and restructure, within the purview of dependencia theory, the traditional core-periphery relationship which seriously impeded our economic growth and potential for capital formation.

As enunciated at the first conference, UNCTAD emerged at a time of great imbalances in the world economy caused by, inter alia, the disparity between the rate of growth of the developing world's primary products and that of their import of industrial goods. This was further aggravated by a number of factors, including the increased use of synthetics in the industrial centres, thereby lowering demand for primary products; great elasticity of price for raw materials as compared with industrial goods and services; and the rapid modernization and high protection of agriculture in many developed market economies.

If all of that sounds familiar it is because we have come full circle, or, as we say in French, plus ça change, plus ç'est la même chose. After having made some significant gains in the intervening decades we are again facing the economic problems we faced in 1964. But I hasten to add that the situation would have been far, far bleaker without the Tolystoyan work performed by UNCTAD under the leadership of Gamani Corea and now our good friend Kenneth Dadzie.

It is difficult to overestimate or quantify the contribution of UNCTAD to the developing countries in the areas of trade, money and finance over the past quarter century. In Latin America and the Caribbean we are especially grateful for the enhanced framework for economic and technical co-operation among developing

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countries facilitated by UNCTAD - as, for example, in the current Uruguay Round of multilateral trade negotiations and the preparation for the second round of negotiations in the global system of trade preferences.

Coming as it does at the end of this decade, which has been at best a difficult one for the developing countries, the twenty-fifth anniversary of UNCTAD should bring us new hope of a fairer, more equalitarian economic relationship between North and South.

We in the Latin America and Caribbean Group plan to dedicate ourselves in the 1990s to the principles adopted by the Trade and Development Board in its resolution 376 (XXXVI) - that is, to pledge ourselves to give UNCTAD the necessary political support to make it a more effective and responsive instrument of international co-operation for trade, growth and development, particularly of developing countries.

The PRESIDENT: I now call upon Mr. Erik Tellmann, who will speak on behalf of the Group of Western European and Other States.

Mr. TELLMANN (Norway): On behalf of the Group of Western European and Other States permit me to join others in paying tribute to the United Nations Conference on Trade and Development (UNCTAD) on the occasion of its twenty-fifth anniversary.

On occasions like this it is normal to take stock of achievement, to try to see where we are and, not least important, to see where we are going. Let me try to do this, without going too much into detail.

No other organization, inside or outside the United Nations system, has been so intimately connected with what we for some time have been calling the

(Mr. Tellmann, Norway)

North-South dialogue. With UNCTAD the notion of development was joined to that of world trade. Its mandate allowed it to treat questions over the whole range of international economic issues, focusing particularly on their relation to the economic and social development of developing countries. It was only natural that UNCTAD as an institution saw it as its role to promote the weaker parties on the world economic scene.

Through the generation of new ideas and perspectives, in focussing international debates, in emphasizing the interdependence of issues, as an important negotiating forum - in all these ways - UNCTAD has played a unique and important role in forging dialogue and co-operation with regard to trade and development in changing economic and political circumstances.

That is not to say that all expectations and aspirations have been fulfilled. That would be impossible. The past decade especially has been a difficult one for a large number of developing countries. Yet today - or rather over the last couple of years since UNCTAD VII - we may discern a growing international convergence of views on central elements of economic policy. It may be that recent developments in international affairs will have a positive influence also in the economic field. In this context we think it worth while to underline the fact that

"more countries in all parts of the world are making use of market signals and competitiveness in promoting entrepreneurial initiative and in optimizing the contributions of the public and private sectors" (A/44/L.39, annex, para.5) as stated in the Declaration of the Trade and Development Board on the occasion of UNCTAD's anniversary a few weeks ago.

(Mr. Tellmann, Norway)

UNCTAD has over the years by and large been able to adapt to changing circumstances. It should be borne in mind, however, that the degree to which UNCTAD can stay in the forefront of these changes is clearly determined by the political will and consensus among Members States.

(Mr. Tellmann, Norway)

Speaking for the industrialized countries, I think this is the occasion to acknowledge that we accept UNCTAD's preoccupation with the concerns of developing countries. The organization - the only one in its field with universal membership - has always been in the forefront in focusing on the interrelationship of issues and interdependence. The need for a forum in which all issues and problems can be regarded and discussed as a whole will certainly not diminish in the years ahead of us. Even if there is a certain convergence of views on economic policy, there is an increasing risk that a two-track world economy is being created at a time of rapid technological change and threatening environmental degradation on an unprecedented scale and that some countries will not be able to break the vicious circle of poverty and underdevelopment.

In the same way as we as countries must respond to new challenges and opportunities ahead and adjust to the more competitive and more open international environment that may be discerned, so must UNCTAD. We, the international community as a whole, need UNCTAD to be on top and preferably ahead of developments; both analytically as a forum for the exchange of views and experiences and, when appropriate, as a forum for negotiating concrete solutions to problems falling within its mandate.

We as a group take this opportunity to renew a pledge made in Geneva a few weeks ago to pursue in UNCTAD and elsewhere innovative ways to stimulate sustainable development for all countries and to contribute to accelerating the growth and development of the developing countries. We reaffirm our commitment and political support for the objectives of UNCTAD.

The PRESIDENT: I call on the representative of Malaysia, who will speak on behalf of the Group of 77 and, in the course of his statement, introduce draft resolution A/44/L.39.

Mr. RAZALI (Malaysia): The United Nations Conference on Trade and Development (UNCTAD) occupies a central position within the Group of 77, not merely as a result of our common birth but more because of UNCTAD's contributions to the cause of developing countries. Indeed, in recognition of the special relationship and contribution, delegations paid a glowing tribute to UNCTAD during the special ministerial meeting of the Group of 77 held in Caracas in June this year to commemorate the twenty-fifth anniversary of the establishment of the Group of 77. UNCTAD has been an ally of the developing countries and we look forward to an enhanced relationship in the years ahead.

We also wish to take this opportunity to record our deep appreciation of the work and efforts undertaken by the present and former Secretaries General of UNCTAD and the members of its secretariat. They have all contributed to the successful initiatives and endeavours of UNCTAD with which the Group of 77 has been most closely associated.

As my colleague, Ambassador Barnett, Permanent Representative of Jamaica and Chairman of the Group of 77 in Geneva, recently stated at UNCTAD's twenty-fifth anniversary commemoration in Geneva that 25 years of work and achievement cannot be recounted here in minutes. Nevertheless, I should like to highlight the hallmark achievements of UNCTAD since its inception, as follows: ground-breaking work in trade, covering areas such as preferential tariffs, non-reciprocity, the Generalized System of Preferences and the Global System of Trade Preferences among developing countries; a significant contribution in the areas of commodities, aptly

(Mr. Razali, Malaysia)

reflected in the establishment of the Common Fund; the establishment of a target for official development assistance; analysis and policy recommendations in respect of external debt, and technical assistance in the management of debt; codes and regulations in shipping and trade restrictive business practices; and work in connection with technology transfer, services problems of the least developed countries and economic co-operation among developing countries.

We are now witnessing a changing external environment brought about by, among other things, a lessening of tensions between the super-Powers, regionalization of developed countries and the current developments in the socialist world. The Group of 77 hopes that these developments will bring in their wake conditions conducive to economic growth and development. In this regard, given its 25 years of experience, UNCTAD could certainly make invaluable contributions.

As we prepare to enter a new decade within the next six weeks, we must be aware of the availability of a number of important opportunities for laying a firm foundation for the future. These opportunities include: the special session of the General Assembly devoted to international economic co-operation, in particular to the revitalization of economic growth and development of the developing countries; the Second United Nations Conference on the Least Developed Countries; the Uruguay Round, now in its penultimate stages; the fourth international development strategy; and UNCTAD VIII.

The Group of 77 is convinced that UNCTAD, with its multisectoral mandate, must be at the forefront of our collective search to ensure a coherent and integrated approach to the issues to be addressed in these and other forums in an era of increasing interdependence.

(Mr. Razali, Malaysia)

UNCTAD and the Group of 77 have closely interacted throughout the last 25 years. The Group of 77 will continue to work closely with UNCTAD and with all others committed and devoted to the cause of economic growth and development, particularly in developing countries.

Finally, on behalf of the Group of 77, I have the honour to introduce draft resolution A/44/L.39, entitled, "Twenty-fifth anniversary of the establishment of the United Nations Conference on Trade and Development", for consideration by the General Assembly. The thrust of the draft resolution is essentially procedural. It endorses the Declaration adopted by consensus in Geneva during the first part of the thirty-sixth session of the Trade and Development Board on the twenty-fifth anniversary of UNCTAD, which was recently adopted by consensus in Geneva during the Board's meeting. The Group of 77 sincerely hopes that our partners will be able to co-operate with us in adopting the draft resolution by consensus.

The PRESIDENT: I call on Ambassador Blanc of France, who will speak on behalf of the States members of the European Community.

Mr. BLANC (France) (interpretation from French): I have the honour to speak on behalf of the European Community and its member States as we celebrate the twenty-fifth anniversary of the United Nations Conference on Trade and Development (UNCTAD).

I wish to affirm the importance that our countries attach to the initiative that led to the establishment of UNCTAD. It seems to us that UNCTAD's value lies in the dual nature of its activities, which, while essentially based on reflection, also lead to action. In its 25th year UNCTAD is evolving in a period favourable to its role in international economic co-operation.

(Mr. Blanc, France)

UNCTAD is a focal point for the discussion of international economic problems. It draws its specific features from its comprehensive, universal and permanent nature.

First, it promotes an awareness of reality in a number of areas. Thus, in the course of a series of conferences we have seen the emergence of new developments that have called into question ideas that were widely accepted in the 1960s. Take, for example, the progressive evolution of our approach to development. The exchanges made possible by UNCTAD meetings have enabled us to harmonize our views on the consistent nature of two phenomena: the growth of newly industrialized countries and the severe handicaps of the least developed countries.

(Mr. Blanc, France)

This economic forum is also conducive to the development of new ideas. I have in mind in particular our consideration, which is only at an initial stage, of economic interdependence, the repercussions of which are still only partially perceived. As the Community has stated on many occasions, this fact of life places constraints on all of us and also inspires unprecedented hopes. In particular, the study of this subject should inspire a new approach to questions related to international economic co-operation. The concept of interdependence has already spawned many discussions, and UNCTAD is a prime forum for more thorough consideration of the matter.

Furthermore, UNCTAD enables us, in the course of the dialogue conducted within it, to dispel certain ambiguities and misunderstandings that hamper development. The last decade, whose disappointing results in this field are bitterly discussed, suffered in that respect from overly ambitious or dogmatic positions on the role and the resources of international organizations. It is also regrettable that these differing approaches have prompted other States to react by rejecting multilateral forums. It seems to us that this stage is being left behind in favour of a new spirit on all sides and that the calmer atmosphere that prevails on this occasion places the institution in a position to play a greater role.

Globally, the progress recorded in recent years seems encouraging. Both the work and the conclusions of the seventh session of UNCTAD and the last session of the Trade and Development Board reflect a relative convergence of views. The fact that the Board succeeded in adopting a joint declaration on the future of UNCTAD is indeed a result to be commended.

In order to draw the greatest possible benefits from this progress, the European Community has affirmed that this twenty-fifth anniversary should be an occasion for reviewing the working methods of the Conference. It should aim at

(Mr. Blanc, France)

bringing about a dialogue that is less formal and rigid, one oriented towards specific goals: the success of the newly industrialized economies, the delayed growth of the least developed countries, interdependence, the adjustment experience and so on. Its main contribution would be to go beyond the somewhat bureaucratic setbacks encountered over the years and to avoid making its work unduly solemn and thus creating a tendency to cast positions in stone.

The work of UNCTAD will enable us, if the present spirit of dialogue flourishes, to deal better with international economic problems by learning from our differences. The thrust and the calibre of the thinking in this regard should enable us to obtain valuable results. We are indeed pleased that recent years have brought a better definition of the respective functions of UNCTAD and other bodies. The role of UNCTAD is, above all, to define aspirations and projects the implementation of which is the responsibility of others. In this connection, it has major responsibilities which it must shoulder without hesitation.

The record of UNCTAD activities is already rich and varied. Now we must complete what has been begun and continue on the course that has now been charted. To this end the European Community cannot emphasize too strongly the fact that UNCTAD must be extremely careful in defining its objectives. The effort reflected in the Geneva Declaration of last October, we believe, must be continued. Such consistency will make it possible to avoid both duplication of the work of other organizations and unrealistic statements. If the eighth session of UNCTAD is held on the basis of a clear and unambiguous mandate, it will have concrete, realistic and practical results.

The European Community will maintain its commitments, as it has consistently, with regard to the application of the generalized system of preferences and official development assistance. We hope, as a primary contributor of assistance

(Mr. Blanc, France)

to the developing countries and in particular to the least developed countries, that the future work of UNCTAD will offer a framework in which our Community action and our national policies can fit harmoniously. It will be essential that the roles of the different categories of States, international organizations and non-governmental organizations and the private sector be understood explicitly enough to avoid some of the misunderstandings of the past.

In this new dynamic, we hope that UNCTAD will provide ways of responding practically and effectively to certain major challenges, such as that of the least developed countries. These States, especially those of sub-Saharan Africa, should remain the object of our concern. Furthermore, questions of debt and the environment can be better tackled if the efforts of UNCTAD are joined to those made elsewhere. In the short term the entry into force of the Common Fund for Commodities and its follow-up will provide additional work for UNCTAD, without prejudice to other future work in the same field. Lastly, in the longer term, we must reflect on the modalities of international co-operation which can reduce the present financial and trade imbalances, with all States completely fulfilling their responsibilities.

That is the productive future that the Community and its member States wish UNCTAD on the occasion of its twenty-fifth anniversary. It must remain one of the active and dynamic forums of the United Nations system. We can give an assurance that the members of the European Community are prepared to work towards that end.

The PRESIDENT: I call on the representative of China, His Excellency Ambassador Li Luye.

Mr. LI Luye (China) (interpretation from Chinese): At the outset, please allow me to thank the President of the General Assembly at its forty-fourth session and the Secretary-General of the United Nations for their excellent statements.

(Mr. Li Luye, China)

This year marks the twenty-fifth anniversary of the establishment of the United Nations Conference on Trade and Development. We are joyfully gathered here today at this meeting of the General Assembly to commemorate this significant event. I now have the honour to extend, on behalf of the Chinese Government, our warmest congratulations to UNCTAD.

UNCTAD was founded thanks to the active initiative and vigorous promotion of the vast numbers of developing countries and in response to the need of world economic development. An event of major significance in the international economic relations, its inception reflected the strong desire of the developing countries for developing national economies and improving international economic relations following their achievement of political independence. It also marked the beginning of a new stage in the economic co-operation among States.

UNCTAD's record of the past 25 years is one of growing and maturing, and of making continuous progress with an enterprising spirit. Already the most universal intergovernmental body in the world, UNCTAD has to date held seven conferences, adding illustrious pages to the annals of international development.

(Mr. Li Luye, China)

It has worked tirelessly and made positive contributions to improving international economic relations: fostering world trade and development - especially that of the developing countries, promoting North-South dialogue, strengthening South-South co-operation, and pushing for the establishment of a new international economic order.

In keeping with the mandate given it by General Assembly resolution 1995 (XIX), UNCTAD has made outstanding contributions to the formulation and implementation of the principles and policies concerning international trade and relevant development issues. Such principles and policies have found expressions in important documents on international economic relations, which have been widely accepted by the international community, such as the Declaration and Programme of Action on the Establishment of the New International Economic Order, the International Development Strategy, and the Charter of Economic Rights and Duties of States. As an organ of negotiations, UNCTAD has formulated, or sponsored the formulation of, the relevant principles, policies and agreements in the fields of commodities, trade, finance, technology transfer, maritime shipping, and economic co-operation between developing countries and the least-developed countries, and has achieved remarkable results. The well-known Generalized System of Preferences (GSP), the Integrated Programme for Commodities, the Common Fund for Commodities, and resolution 165 (S-IX) on debt and development problems of the developing countries are but some of the notable examples.

The history of the past quarter of a century has proved that UNCTAD has become an indispensable forum and a place of negotiations in world economic affairs and its importance has been universally recognized by the international community.

The 1990s are setting in. In the years to come UNCTAD will have to shoulder important and arduous tasks. In recent years the international political scene has witnessed a shift from tension to relaxation and from confrontation to

(Mr. Li Luye, China)

dialogue, which has created a favourable climate for world economic co-operation. But the world economy, in particular the economy of the developing countries, is still facing serious challenges. Since the beginning of the 1980s, the developed countries have been experiencing the longest continuous economic expansion in the post-War period, while for most developing countries the decade has been a lost one. The external environment for their economic development has worsened with mounting trade protectionism, declining primary commodity prices, a heavy debt burden, a serious reverse flow of financial resources, and an ever-widening gap between the North and the South. It will therefore be the arduous task of the international community in the next decade to step up economic co-operation between States and help the developing countries regain economic growth and development, thereby achieving a steady development in the world economy. Such being the case, the role of UNCTAD, as the intergovernmental body within the United Nations system that considers questions relating to international trade and development and formulates and implements relevant principles and policies for international trade and development, should be further strengthened rather than weakened in any way. It should play its due role more fully in the field of commodities, trade, finance, debt and development and make even greater contributions.

The fulfilment of UNCTAD's mandate and the realization of its set objectives will require, in addition to the efforts of UNCTAD itself, sufficient political will from its member States and their support for and co-operation with the work of that organization. We hope that all members will support the work of UNCTAD and contribute to the development of the developing countries and to the revitalization of the global economy.

As a member of UNCTAD, China has all along supported the work of UNCTAD, actively participated in its activities and maintained good relations of co-operation with it. China will, as always, work to strengthen its close

(Mr. Li Luye, China)

co-operation with UNCTAD and develop its economic and trade relations with other countries in the world. As a developing country, China has striven consistently and unremittingly, together with the other developing countries, for the establishment of a new international economic order. Reform and opening-up are the fundamental State policy of China. The implementation of that policy over the past 10 years has proved that it is correct and effective. In the years ahead this policy will be firmly pursued rather than changed. We are ready to develop, on the basis of equality and mutual benefit, economic co-operation and trade with all countries and regions in the world for the promotion of our respective development.

Finally, may I wish UNCTAD new and even greater achievements in its future work.

The PRESIDENT: I now call on the representative of the United States, Mr. Harry Cahill.

Mr. CAHILL (United States of America): On this day the United States is very happy to join all our colleagues in this Hall and around the world in congratulating the United Nations Conference on Trade and Development (UNCTAD) on its twenty-fifth anniversary. These two and a half decades of the life of UNCTAD have been very pressured, very crowded and very full of challenge.

Much has been achieved in the efforts to make the world a better place and we thank UNCTAD for this. But making harder the task of making the world a better place is the fact that this world of ours has been evolving and changing rapidly. Some old difficulties and problems persist and they weigh more and more heavily. At the same time, new challenges have arisen - new challenges and new threats. But one thing we believe is certain: UNCTAD has an important role to play. We do believe that and we hope and trust that UNCTAD will perceptively see what is needed in bringing vital growth and development to the developing countries. We, the United States, look forward to UNCTAD's strong and continuing contribution in

(Mr. Cahill, United States)

providing practical assistance and guidance to the developing world. We look forward to UNCTAD helping others learn from the valuable experience of those who have succeeded in advancing their own growth and in bringing well-being to their people.

In sum, we wish UNCTAD every success and we warmly applaud the good work it has done and continues to do.

The PRESIDENT: I request the Assembly to turn its attention now to draft resolution A/44/L.39.

May I take it that the Assembly decides to adopt that draft resolution?

Draft resolution A/44/L.39 was adopted (resolution 44/19).

The meeting rose at 11.50 a.m.